GOVERNMENTOF ANDHRA PRADESH

ABSTRACT

Industries and Commerce Department–Extension of certain incentives under Solar Generic Policy and Electronic Policy 2014-2020 to M/s.Alectrona Energy Private Limited (AEPL) to set up a solar Module and Solar Cell manufacturing facility at Mambattu Industrial Park, Nellore District - Orders-Issued.

INDUSTRIES &COMMERCE(POLICY&INVESTMENT) DEPARTMENT

G.O.MS.No. 43 Dated: 13-03-2017

Read the following:-

1. DPR received from Rohith Nath M/s. Alectrona Energy Private Limited (AEPL)dt. 21.11.2016.
2. Empowered Committee Meeting on 25.01.2017
3. State Investment Promotion Board Meeting on 25.01.2017.

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ORDER:-

In the letter first read above, M/s.Alectrona Energy Private Limited (AEPL), a subsidiary of Zynergy Solar Projects & Services Private Limited informed that they intends to set up a solar Module and Solar Cell manufacturing facility at Mambattu Industrial Park, Nellore District with a proposed investment of Rs 3,970 crore in 3 phases with a potential to create employment to 2,988 persons. In phase I, the Company propose to invest Rs.520 Crore in two components – one with an investment of Rs.110.00 in the Module Unit and Rs.410.00 Crore in the Cell Unit with a potential to create a total employment to 688 people. The Company has requested for the following benefits:

i. Uninterrupted power supply
ii. 100 percent exemption on stamp duty, transfer duty and registration fees paid on sale/lease deeds.
iii. The company has requested for power subsidy @ Rs1.5 per unit for 5years
iv. The company has requested for quality certification of 75% of the cost up to Rs 3 cr. The Estimated Cost of Quality Certification is Rs. 40,00,000/-
v. The company has requested for reimbursement of Rs.10 lakhs for international and Rs.5 lakhs for domestic patent filing.
vi. 50 percent subsidy on the total fixed capital investment in the project for green measures with a ceiling of Rs.50 crore
vii. 50 percent reimbursement on the total fixed capital investment in the project for green measures limited to Rs.25 crore
viii. 50% water tariff rebate
ix. The developer has requested for assistance up to Rs 10 cr.
x. The company has requested for 100% exemption from VAT/CST for a period of 10 years. AEPL is seeking VAT&CST exemption for input items & also for final products being rolled out or manufacturing facility. In case of GST being implemented, the Company shall require GST exemption for input & output for a period of 10 years.
xi. The company requested for capital subsidy of 20 percent on the total investment.
xii. The company requested for investment subsidy of 5 percent for 10years
xiii. The company has requested for a training subsidy of Rs15,000 per employee
xiv. The company has requested for free land or land leased on a long term basis at a minimum lease. Company has requested land at subsidized cost of Rs. 3,00,000 / acre.

xv. Subsidy on Cost of supporting equipment for Phase I for the Module Line (1500KVA Diesel Generator) at Rs.1cr. Subsidy on Cost of supporting equipment for Phase II for the Cell Line(1500KVA Diesel Generator) upto Rs.1cr.Additionally, the company has also requested for Fuel Subsidy at 20% Diesel Cost

2. In the reference second read above, the Empowered Committee of Secretaries (EC) has examined the proposal of M/s.Alectrona Energy Private Limited (AEPL), in detail and recommended to extend the incentives as per the Special package of incentives approved by SIPB for Solar Manufacturing Units and also the incentives extended to similar kind of facilities, which include:

i. Power cost reimbursement of Re. 1.00 per unit for a period of 5 years for capacity between 250 MW – 500 MW of cells and modules, Rs. 1.25 per unit for 5 years for capacity between 500 MW – 1 GW of cells and modules and Rs. 1.5 per unit for 5 years for capacity >= 1 GW of cells and modules.
ii. 50% subsidy on the expenses incurred for quality certification limited to Rs. 2 crore for an investment up to Rs. 1,500 crore and 75% subsidy on the expenses incurred for quality certification limited to Rs. 3 crore for an investment more than Rs. 1,500 crore.
iii. 25% subsidy on the Swachh Andhra initiatives limited to Rs. 50 crore for an investment up to Rs. 1,500 crore and 50% subsidy on the Swachh Andhra initiatives limited to Rs. 50 crore for an investment more than Rs. 1,500 crore.
iv. Water tariff rebate of 25% for capacity between 250MW-1GW of Cells and Modules for 5 years and 50% water tariff rebate for capacity above 1 GW of Cells/Modules for 5 years. (vi) External Infrastructure assistance upto Rs. 3 crore for Capacity between 250 MW – 500 MW of cells and modules, upto Rs. 5 crore for Capacity between 500 MW – 1 GW of cells and modules and upto Rs. 10 crore Capacity >=1 GW of cells and modules.
v. All other incentives as per AP Electronic Policy 2014-20.

3. In the reference third read above, the State Investment Promotion Board(SIPB) has examined the proposal of M/s.Alectrona Energy Private Limited (AEPL), in detail and decided to extend the following incentives as per the Special package of incentives approved by SIPB for Solar Manufacturing Units and also the incentives extended to similar kind of facilities:

i. Power cost reimbursement of Re. 1.00 per unit for a period of 5 years for capacity between 250 MW – 500 MW of cells and modules, Rs. 1.25 per unit for 5 years for capacity between 500 MW – 1 GW of cells and modules and Rs. 1.5 per unit for 5 years for capacity >= 1 GW of cells and modules.
ii. 50% subsidy on the expenses incurred for quality certification limited to Rs. 2 crore for an investment up to Rs. 1,500 crore and 75% subsidy on the expenses incurred for quality certification limited to Rs. 3 crore for an investment more than Rs. 1,500 crore.
iii. 25% subsidy on the Swachh Andhra initiatives limited to Rs. 50 crore for an investment up to Rs. 1,500 crore and 50% subsidy on the Swachh Andhra initiatives limited to Rs. 50 crore for an investment more than Rs. 1,500 crore.
iv. Water tariff rebate of 25% for capacity between 250MW-1GW of Cells and Modules for 5 years and 50% water tariff rebate for capacity above 1 GW of Cells/Modules for 5 years. (vi) External Infrastructure assistance upto Rs. 3 crore for Capacity between 250 MW – 500 MW of cells and modules, upto Rs. 5 crore for Capacity between 500 MW – 1 GW of cells and modules and upto Rs. 10 crore Capacity >=1 GW of cells and modules.
v. All other incentives as per AP Electronic Policy 2014-20, which include:
   (a) 100% reimbursement of the Stamp Duty, Transfer Duty and Registration Fee paid on sale/ lease deeds.
   (b) Capital Subsidy of 10% of total investment up to Rs. 5 crore.
   (c) Interest Subsidy of 5% for a period of 7 years subject to maximum of Rs. 1 crore per annum per unit.

(d) 100% Tax reimbursement of VAT / CST for a period of 10 years subject to a maximum of 100% of fixed capital investment.

(e) 25% subsidy on Cleaner Production Measures limited to Rs. 10 lakh.

(f) 100% reimbursement of patents filing cost up to a limit of Rs. 5 lakh for domestic and Rs. 10 lakh for international patents.

(g) 50% reimbursement of the cost incurred subject to a maximum of Rs.10,000 per employee to the companies for providing skill gap trainings to the engineers of AP domicile.

(h) The electronics industry would be exempted from the purview of statutory power cuts.

4. Government after careful consideration of the recommendations of the State Investment Promotion Board hereby extend the following incentives to M/s.Alectrona Energy Private Limited (AEPL) for their proposed 1st phase of solar Module and Solar Cell manufacturing facility at Mambattu Industrial Park, Nellore District with an investment of Rs.520 Crore in two components – one with an investment of Rs.110.00 in the Module Unit and Rs.410.00 Crore in the Cell Unit with a potential to create a total employment to 688 people

i. Power cost reimbursement of Re. 1.00 per unit for a period of 5 years for capacity between 250 MW – 500 MW of cells and modules, Rs. 1.25 per unit for 5 years for capacity between 500 MW – 1 GW of cells and modules and Rs. 1.5 per unit for 5 years for capacity >= 1 GW of cells and modules.

ii. 50% subsidy on the expenses incurred for quality certification limited to Rs. 2 crore for an investment up to Rs. 1,500 crore and 75% subsidy on the expenses incurred for quality certification limited to Rs. 3 crore for an investment more than Rs. 1,500 crore.

iii. 25% subsidy on the Swachh Andhra initiatives limited to Rs. 50 crore for an investment up to Rs. 1,500 crore and 50% subsidy on the Swachh Andhra initiatives limited to Rs. 50 crore for an investment more than Rs. 1,500 crore.

iv. Water tariff rebate of 25% for capacity between 250MW-1GW of Cells and Modules for 5 years and 50% water tariff rebate for capacity above 1 GW of Cells/Modules for 5 years. (vi) External Infrastructure assistance upto Rs. 3 crore for Capacity between 250 MW – 500 MW of cells and modules, upto Rs. 5 crore for Capacity between 500 MW – 1 GW of cells and modules and upto Rs. 10 crore Capacity >=1 GW of cells and modules.

v. All other incentives as per AP Electronic Policy 2014-20, which include:

(a) 100% reimbursement of the Stamp Duty, Transfer Duty and Registration Fee paid on sale/ lease deeds.

(b) Capital Subsidy of 10% of total investment up to Rs. 5 crore.

(c) Interest Subsidy of 5% for a period of 7 years subject to maximum of Rs. 1 crore per annum per unit.

(d) 100% Tax reimbursement of VAT / CST for a period of 10 years subject to a maximum of 100% of fixed capital investment.

(e) 25% subsidy on Cleaner Production Measures limited to Rs. 10 lakh.

(f) 100% reimbursement of patents filing cost up to a limit of Rs. 5 lakh for domestic and Rs. 10 lakh for international patents.

(g) 50% reimbursement of the cost incurred subject to a maximum of Rs.10,000 per employee to the companies for providing skill gap trainings to the engineers of AP domicile.

(h) The electronics industry would be exempted from the purview of statutory power cuts.

5. The Director of Industries, Andhra Pradesh shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT &
COMMISSIONER FOR INDUSTRIAL PROMOTION

To
The Director of Industries, Andhra Pradesh, Vijayawada
M/s.Alectrona Energy Private Limited through the Director of Industries, Andhra Pradesh.
The PR& RD (PR) Department.
The MA& UD Department.
The H.M.& F.W. Department.
The Collector& District Magistrate, Nellore District.
The VC&MD,APIIC Ltd.
The General Manager, District Industries Centre, Nellore District.
The Zonal Manager, APIIC, Nellore.
Copy to
The Finance (EBS-VIII)Department.
The Revenue (CT) Department.
The Revenue (Registration)Department.
The Law(H) Department.
The Accountant General, Andhra Pradesh
The Commissioner of Commercial Taxes
The Vice Chairman & Managing Director, APIIC.
P.S. to Secretary to Chief Minister
P.S. to Chief Secretary to Government
P.S. to Secretary to Government & CIP, Industries & Commerce Dept.
SC/SF.

//FORWARDED BY ORDER//

SECTION OFFICER